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Insights

Policies for the post-pandemic world of work

Understanding the priorities of the European workforce

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Introduction

In Europe and around the world, the labour market was already facing disruptive changes before 2020. A shrinking workforce, the rise of digitalisation and automation, and shifts in skills needed were already at the centre of European policymaking worries. The COVID-19 pandemic forced faster adaptation to new ways of working and propelled existing trends forward at full speed.

IN PARTICULAR, REMOTE working and flexible working arrangements settled in as the standard, rather than the exception. There has also been an increase in new – and non-standard – forms of work, not to mention a sizeable impact on the availability of jobs. Suddenly the upskilling and reskilling of individuals has taken on even more importance, with the aim to master labour market transitions and ensure swift economic recovery.

This article, part of the ***Voice of the European Workforce*** series, intends to show European policymakers what the workforce expects from the post-pandemic world of work. Workers' views were collected in June 2020 as part of the Deloitte European Workforce Survey (see **About the research**), between the first and second waves of COVID-19 in Europe.

By bringing workers' views to policymakers' attention, we strive to bridge the gap between those two groups, to support decisions and policy actions that are relevant and address the most pressing issues. We explore workers' **perceptions about their professional future and key changes** in their working environment during the pandemic, illustrating main concerns and challenges to be addressed by policymakers. We also examine the **workforce's expectations for policy interventions**, highlighting differences across occupations and age groups. Finally, we offer key takeaways for policymakers to move forward.

ABOUT THE RESEARCH

In June 2020, Deloitte conducted the European Workforce Survey to amplify the 'voice of the workforce', reaching out to more than 10,000 employees across seven European countries (France, Germany, Italy, Portugal, Poland, Spain and the United Kingdom). The research findings provided insights into the impact of COVID-19 on European workers, at a time when they were getting used to new ways of working. The survey was conducted online, with the sample restricted to people then employed (even if furloughed or on a zero-hours contract). Fifty per cent of the sample was made up of workers age 50 or older; the other half were workers older than 18 but younger than 50. Within these two groups, the age and gender composition of the sample was set to resemble the current composition of the workforce in each country. Professional translators adapted the questions into local languages, and native-language professionals refined the translations to optimise comprehensibility.

The long game: Processing change and looking past COVID

The long-lasting effects of COVID-19 on our personal and professional lives have yet to be realised but are beginning to manifest to some degree. This is especially true in relation to changes in work environments and skills needed to thrive at work. The surveyed European workers revealed optimism about these aspects, when sharing their attitudes towards their professional futures. However, this positivity was tempered by concerns about the changes brought by the pandemic, focusing on those expected to outlast COVID-19.

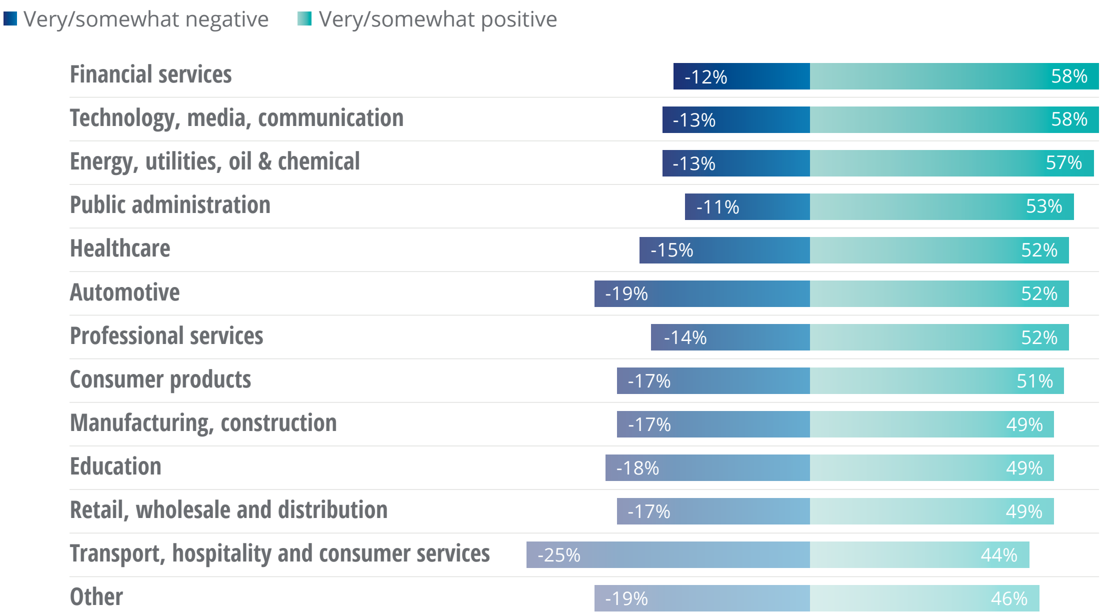
Big-picture positivity about the future of work

Overall, at the time of the research, **much of the workforce felt optimistic about their professional future**, despite small differences across sectors. Half of survey respondents felt positive or very positive, whereas a humble 16 per cent felt negative or very negative. A remaining third of respondents felt 'neutral' about their professional future – roughly the same proportion who did not expect any long-lasting changes in their jobs after the pandemic (34 per cent). However, there are differences in attitudes across sectors (figure 1).

FIGURE 1

Attitude towards future professional life, per sector

Thinking about the developments brought by COVID-19, how positive do you feel about your future professional life?



Source: Deloitte European Workforce Survey, 2020.

Rising concerns about job security, working more for less

Despite the overall positive attitude, two-thirds of the surveyed workers also indicated that they have concerns about the work environment after COVID-19. **The younger the respondent, the more concerned they are:** 81 per cent of workers younger than 30 expressed such concerns. That proportion gradually decreased as age increased, landing at 54 per cent for workers age 60 or older. Seeing retirement in the near future might logically explain why they feel less concerned about the future work environment. Regardless, the difference between age groups is noteworthy.

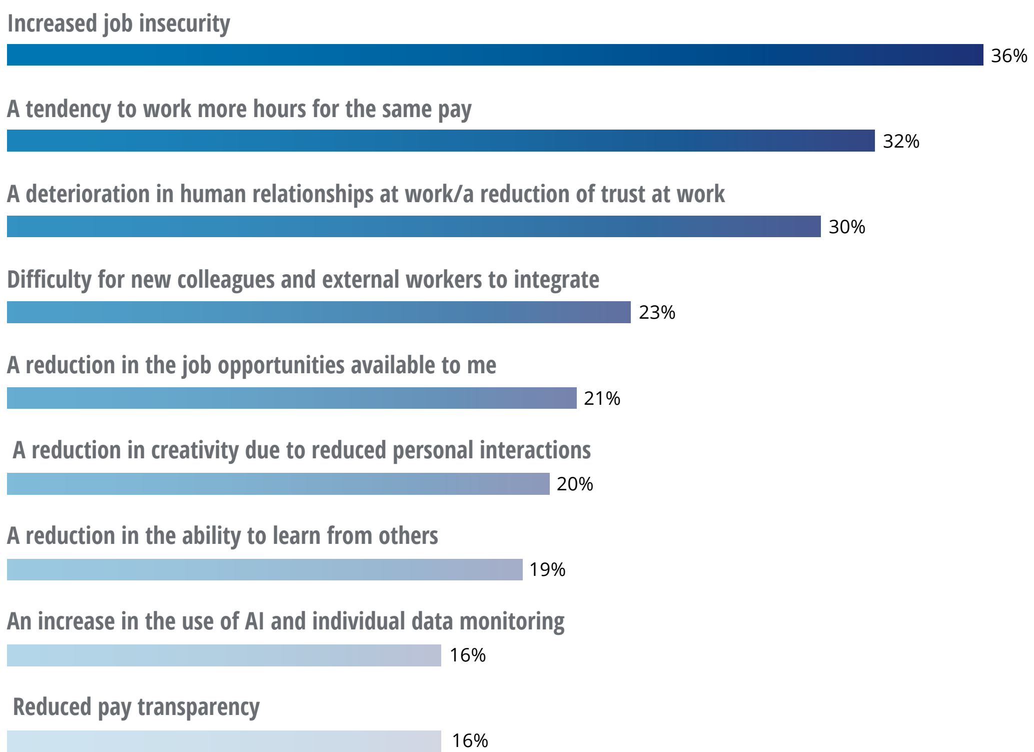
What are workers mainly concerned about? The biggest issue – indicated by 36 per cent of respondents – is **increased job insecurity**. This is not surprising, given the economic impact brought by lockdown measures to diminish coronavirus transmission across Europe. Job security is the most important concern across all age groups, evidently increasing with age. There is a higher level of unemployment among young workers, and that level has risen significantly with the pandemic,[1] which certainly plays a role in our findings.

The **tendency to work more hours for the same pay** was singled out as the second-largest concern, indicated by 32 per cent of the surveyed workers. This could be linked to the ever-blurring line that divides work from private life, given the increase in remote working and flexible working arrangements. At the other end of the spectrum of concerns is the question of pay transparency; half as many survey respondents (16 per cent) perceive this as a concern.

FIGURE 2

Concerns about the future work environment (share of respondents selecting concerns)

Do you have any concerns about the new working environment that will emerge as a response to COVID-19? (Select up to three)



Source: Deloitte European Workforce Survey, 2020.

Forecast of long-lasting changes in how we work

Workers' general attitudes and concerns about their professional futures are likely to be driven by the changes they perceive in their working environments. This makes it critical to understand which changes workers believe are here to stay – those are the changes policymakers must address.

Two out of three workers expect some changes to last beyond the pandemic. **They predict long-lasting effects on how jobs are performed** (e.g. with greater autonomy and in an increasingly digital way), **rather than changes to the existence or content of the tasks themselves** (e.g. jobs ceasing to exist).

Of the respondents who expect some long-lasting changes, 34 per cent anticipate having **more flexibility and autonomy to decide when and how to perform their work**. Thirty-two per cent expect increased digitalisation of the workplace and attention to cybersecurity, and 27 per cent expect more trust among colleagues and across hierarchies.

A shift in the skills needed to perform jobs is anticipated by approximately one-fourth (26 per cent) of the respondents. Interestingly, the results suggest that fewer older workers expect changes in skills needed than younger workers. This could potentially be linked to less awareness among older people about potential changes, or a higher likelihood of older people having stable jobs or being employed in traditional sectors that are subject to less change.

FIGURE 3

Expected long-lasting changes after COVID-19

Which aspects do you think will be permanently different once the exceptional circumstances of COVID-19 are over? (Select the three most relevant aspects)

Source: Deloitte European Workforce Survey, 2020.

Policy priorities: What does the workforce expect?

Those attitudes and perceptions of key COVID-related changes set the scene for policymakers to understand what is behind the workforce's preferred policy priorities. Acknowledging the expectations for long-lasting changes will enable policymakers to focus on the most relevant issues.

OUR EUROPEAN WORKFORCE Survey revealed differing perceptions across occupations and age groups, but respondents mainly agreed that two key areas deserve prioritisation by policymakers.

Adapt the regulatory framework of work

The first cited priority is enacting **"changes in the regulatory framework to facilitate the adoption of more flexible working conditions"**, as expressed by 33 per cent. This is an unsurprising result of the expectation that more autonomy and flexibility in working arrangements will be a long-lasting effect of COVID-19; specifically, **62 per cent of respondents expect to work from home more often in the future.** This includes a large share of workers who did not work remotely (46 per cent) or rarely worked remotely (71 per cent) before the pandemic.

This view raises important questions for policymakers when discussing the challenges and opportunities brought by increased flexibility in working arrangements. Regulatory areas that might deserve further attention include responsibilities for health and safety in the workplace, monitoring and reporting of working hours, or even the tax and social implications of remote working.

Enabling upskilling and reskilling

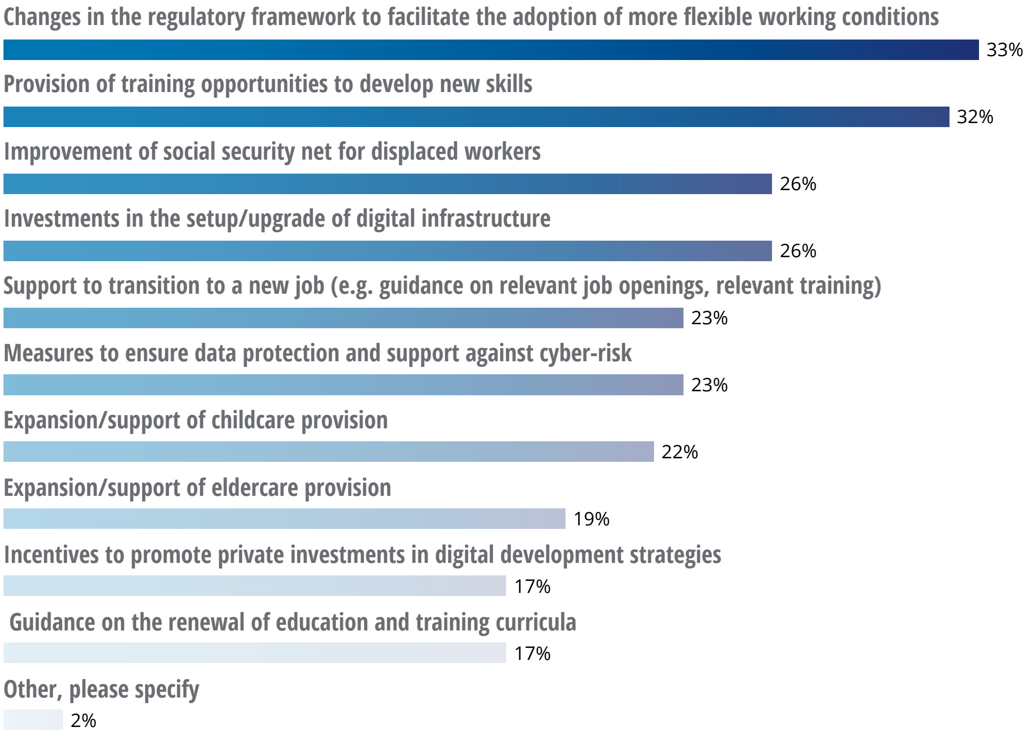
As a second priority, survey respondents indicated the **"provision of training opportunities to develop new skills"**. This response did not vary significantly among the surveyed groups. It is consistent with the large share of survey respondents (70 per cent) who expect that different skills will be needed to thrive in the future labour market. But respondents called for training that goes beyond technical skills to include softer skills, such as the capacity to adapt (60 per cent), teamwork and collaboration (43 per cent) and time management (41 per cent).

In 2018, Deloitte research[2] also revealed the provision of training as a top priority for workers, even though their concerns differed at the time. Back then, individuals in certain sectors were concerned about the impact of automation on the relevance of their skills; in 2020, that concern seems secondary to the immediate impact of the pandemic on work environments and job opportunities.[3] In this context, policymakers should be aware of the increased importance and imminent need for upskilling and reskilling. Skills forecasting will be essential to provide relevant training opportunities.

FIGURE 4

Preferred policy priority

In your opinion, which measures should public institutions prioritise to support adaptation to the effects that COVID-19 brings to the world of work? (Select top three)



Source: Deloitte European Workforce Survey, 2020.

Divided views: Occupation, age and vulnerability differences

Despite the broad agreement on the top two policy priorities across occupations and ages, opinions are more scattered for other potential priorities. This is especially the case for measures aimed at redressing COVID-19 impacts on the labour market (e.g. support for displaced workers, support for job transitions) or enhancing digitalisation (e.g. investment in digital infrastructure, digital development strategies).

When looking at the results per **occupational group**, manual workers seem more focused on measures **supporting job transitions** and less on investments in digital infrastructure. The highly skilled occupations (e.g. managers, directors or senior officials and professionals[4]) have opposite preferences. This could be linked to the fact that many workers in highly skilled occupations were able to work remotely during the pandemic and that sanitary restrictions often prevented manual workers from performing their regular duties. Moreover, manual workers ranked the policy priority **"social security net for displaced workers"** higher than workers whose jobs do not require physical interaction and can work remotely.

Some differences also emerge across age groups. The importance assigned to the policy measure "support to transition in a new job" tends to decrease as age increases. The same trend is evident with the policy priority "social security net for displaced workers". Considering that only 53 per cent of respondents older than 60 are concerned about their future work environment – in comparison to 81 per cent of those younger than 30 – young people emerge as a vulnerable group calling for specific support measures.

FIGURE 5

Policy priorities across occupations and age groups

Thinking about the developments brought by COVID-19, how positive do you feel about your future professional life? (In priority from 1-10)

		Policy priorities by occupation								Policy priorities by age				
	All sample	Manager, director or senior official	Professional occupation	Associate professional and technical occupation	Administrative or secretarial occupation	Sales or customer services occupation	Process, plant and machine operators	Skilled crafts and trades	Labourer, cleaner, deliverer, shelf filler, kitchen helper and similar occupation	<30	30-39	40-49	50-59	60+
Regulatory framework to facilitate the adoption of more flexible working conditions	1	2	1	1	1	3	3	1	2	2	1	1	1	1
Training opportunities to develop new skills	2	3	2	2	2	2	1	2	1	1	2	2	2	2
Social security net for displaced workers	3	7	5	4	4	1	2	3	3	5	5	4	3	3
Investment in digital infrastructure	4	1	2	3	3	8	10	7	9	3	3	3	4	5
Support to transition to a new job	5	6	8	7	6	4	6	4	4	4	6	7	6	8
Measures to ensure data protection and support against cyber-risk	6	4	4	6	5	7	8	8	7	7	7	6	5	6
Expansion/support of childcare provision	10	8	10	10	10	10	10	10	10	10	10	10	10	10
Expansion/support of eldercare provision	8	10	10	8	8	6	5	5	5	10	10	10	7	4
Promotion of private investment in digital development strategies	9	5	9	10	9	9	7	10	10	8	8	8	10	10
Guidance on the renewal of education and training curricula	10	9		9	10	10	9	9	8	9	9	9	9	9

Source: Deloitte European Workforce Survey, 2020.

Where perception meets policy

The pandemic has probably been the most disruptive change that many Europeans have experienced in their professional lives. Even in the face of lingering uncertainty, the majority of workers feel positive about their future and are showing great resilience.[5] Regardless, their concerns and policy priorities should not be ignored; workers generally indicated that their interests lie in the adaptation of regulatory frameworks and enhanced reskilling and upskilling through the provision of training.

THE VARIATION IN perceptions across ages and occupations points to the need for tailored interventions. But we recommend that any interventions fall under the umbrella of the following areas, across the stages of the 'intervention cycle':

Enable individuals to enter the labour market

Foster the labour market integration of younger age groups, promoting specific opportunities for them.

Increase skills intelligence to enable training providers to better address shifts in the labour market, stressing not only technical and digital skills, but also soft skills.

Enable individuals to make the most of their careers

Adapt regulatory frameworks to better address the increased flexibility in working arrangements and challenges linked to remote working, such as pay transparency and new working conditions.

Provide guidance and support to explore the potential of better digital infrastructures for workers across all occupational groups.

Enable labour market transition

Increase intelligence about occupations at risk of automation, to provide tailored and timely support to those in need.

Provide a framework that enables and fosters lifelong learning, to ensure smooth transitions and skills relevance.

ZOOM IN: Basing policy priorities on personal outlook

Deloitte's survey data showed varying worker perspectives, but three patterns of typologies, or personas, emerged when clustering responses based on views and concerns about the post–COVID-19 world of work. Policies should acknowledge the preferences of these personas, speaking to different views and attitudes, beyond socioeconomic characteristics. This can help formulate messages that resonate with the workforce.

THE PERSONAS ARE spread across the entire workforce, but they tend to be more prevalent among certain groups.

The **SURFER** is convinced that the pandemic has permanently changed their job and expects a shift in the skills and capabilities needed to thrive. They feel generally positive about their future professional life. They are more **concerned about a deterioration in interpersonal relationships** within the work environment. The surfer is typically more prevalent among professionals.

Like the surfer, the **JUGGLER** expects their job to be different once the pandemic is over and believes the skills and capabilities they will need to thrive in the labour market will change. But they have a negative view of their future working life. They are mainly concerned about an **increase in job insecurity and a reduction in job opportunities** available to them. The juggler is typically more prevalent in sales or customer services, as well as skilled trades and manual jobs.

The **GROUNDED** is **not convinced there will be major changes to their job** and does not foresee major shifts in the skills and capabilities they will need. Accordingly, they do not have any major concerns about the future work environment and feel optimistic about their future professional life. Those who are grounded are typically in administrative or technical occupations.

In line with the broader findings of our survey, the three personas agree on the two leading policy priorities but are divided when it comes to other priorities.

FIGURE 6

Policy priorities across personas

Share of respondents selecting a certain policy as one of the top three priorities for public institutions, by worker typologies

Source: Deloitte European Workforce Survey, 2020.

Taking a closer look, we see interesting outcomes with respect to the policy preferences of these personas. In line with the broader findings of our survey, the three personas agree on the two leading policy priorities ("changes in the regulatory framework to facilitate the adoption of more flexible working conditions" and "provision of training opportunities to develop new skills") but are divided when it comes to other priorities.

Specifically, SURFERS feel stronger about policies preparing the world of work for the digital age, prioritising investment in digital infrastructure. JUGGLERS attach more importance to measures supporting labour market transitions ("support to transition to a new job" and "improvement of social security net for displaced workers"). They are also the most worried about their professional future.

Endnotes

1. Eurostat, "Unemployment statistics", December 2020; 17.7 per cent youth unemployment in November 2020, compared to 14.3 per cent in November 2019. See also: https://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics#Youth_unemployment

2. Top priorities were improving secondary education and the availability of VET; Karim Moueddene et al., *Expected skills needs for the future of work,* Deloitte Insights, 2 December 2019. See also: https://www2.deloitte.com/us/en/insights/focus/technology-and-the-future-of-work/upskilling-the-workforce-in-european-union-for-the-future-of-work.html

3. For further analysis on the impact of automation and future of work, see Deloitte's global "Future of Work" page: https://www2.deloitte.com/global/en/pages/human-capital/topics/future-of-work.html

4. The category 'professionals' includes doctors, teachers, professors, accountants, marketing and PR professionals, actuaries, software and applications developers, and lawyers, according to Eurostat, "International Standard Classification of Occupations 2008 (ISCO-08)". See also: https://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_NOM_DTL&StrNom=CL_ISCO08&StrLanguageCode=EN&IntPcKey=&StrLayoutCode=HIERARCHIC&IntCurrentPage=1

5. Will Gosling, Dr Michela Coppola and Kate McCarthy, *May the workforce be with you: The voice of the European workforce 2020*, Deloitte Insights, 22 October 2020. See also: www2.deloitte.com/uk/en/pages/consulting/articles/voice-of-the-european-workforce-2020.htm

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